from India by Brazil, fall in demand in developed countries and intense competition from some of the South East Asian countries and South Korea after drastic devaluation of their currencies *vis-a-vis* US Dollar are the other important reasons for the decline.

(c) and (d) Promotion of exports has been the constant endeavour of the Government. Measures taken to boost export of engineering goods including consumer durables include various incentives under the Export-Import Policy like Duty Exemption Scheme, Export Promotion Capital Goods Scheme, Special Import Licence, Duty Drawback Scheme, DEPB Scheme, and assistance from Market Development Fund. In addition, the Government through Engineering Export Promotion Council has drawn up various promotional activities such as Buyer-Seller Meets, participation in trade fairs and exhibitions, disseminating market intelligence and export opportunities to Indian exporters, creating homepage on a number of engineering items in its internet website for making them accessible to the foreign buyers through internet.

**Economic Relations with China**

1228. SHRI NILOTPAL BASU: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are of the opinion that India has a lot to gain from close relations with China, especially on economic front; and

(b) if so, what steps have been taken to ensure that India and China can work together at multi-lateral economic fora to ensure 'Globalisation does not lead to the complete erosion of national sovereignty'?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) It will be for mutual benefit if the trade relations between Indian & China improve.

(b) India and China have many similar concerns, being the two most populous and growing developing countries. Steps taken to safeguard national sovereignty, among others, include formation of a Joint Group on Economic Relations and Trade, Science & Technology, Working Groups on Coal and Steel, enhanced contacts and cooperation at the Govt. level between economic Ministers of the two countries.

As a member of the Working Group on China's Accession to the WTO, India has conveyed its support to China. India has welcomed China's interest in being part of the Bangkok Agreement and India has agreed to China's request for membership of the information group of developing countries. in GATT.

**Increase in Coffee Plantation**

1229. DR. D. VENKATESHWAR RAO:
SHRI YERRA NARAYANASWAMY:

Will the Minister of COMMERCE be pleased to state:

(a) the fresh initiative proposed to increase coffee planation in Andhra Pradesh;

(b) whether it is a fact that there is shortage of coffee in the country; if so, the steps proposed to meet the same;

(c) whether coffee board will seek for this purpose new and suitable areas in Andhra Pradesh; and

(d) if not, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) The Coffee Board will be supporting a special package scheme to expand coffee cultivation in 3000 ha. of area in Andhra Pradesh during the Ninth Plan by providing a one time grant of Rs. 15,000 per ha. to the prospective tribal coffee growers. Further, for stepping up productivity in the tribal coffee sector, the Board will also be extending the same amount of one time grant for